



Montana-Dakota Utilities Co.

A Division of MDU Resources Group, Inc.

400 N 4th Street
Bismarck, ND 58501

State of Wyoming Electric Rate Schedule

W.P.S.C. Tariff No. 4
1st Revised Sheet No. 55
Cancelling Original Sheet No. 55

POWER SUPPLY COST ADJUSTMENT Rate 50

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1. **APPLICABILITY:**
This rate schedule constitutes a Power Supply Cost Adjustment (PSCA) provision and specifies the procedure to be utilized to adjust the rates for fuel and purchased power sold under Montana-Dakota's rate schedules in order to reflect:
(a) changes in fuel and purchased power supply and (b) amortization of the Power Supply Balancing Account.
2. **EFFECTIVE DATE AND LIMITATION ON ADJUSTMENTS:**
The effective date of the PSCA shall be service rendered on and after January 1 unless the Commission shall otherwise order.
3. **POWER SUPPLY COST ADJUSTMENT**
 - a. The annual PSCA shall be calculated separately for primary service and secondary service and reflect changes in Montana-Dakota's cost of power supply as compared to the base cost of power supply established in a general rate case for each class, plus the surcharge adjustment as defined in 4.
 - b. The cost of power supply shall be the sum of all costs incurred in obtaining fuel and purchased power supply for use by all customers served under retail sales rate schedules. The cost of power supply shall include, but not be limited to, all demand, energy, ancillary services and transmission charges incurred by Montana-Dakota for such fuel and purchased power supply.
 - c. The base cost of power supply shall consist of all power supply costs established in a general rate case for primary and secondary service stated on a Kwh basis. The demand and transmission components shall be allocated to the primary and secondary service customer classes and be reflected in the applicable rate schedule. The energy component (base fuel and PSCA) shall be set forth separately on customer bills.
 - d. The power supply costs shall be calculated using projected Kw demand, Kwh retail sales volumes and purchase agreement rates for the calendar year to determine the total cost per Kwh applicable for the calendar year.

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4. SURCHARGE ADJUSTMENT:

All rate schedules shall be subject to a Surcharge Adjustment to be effective January 1 of each year. The Surcharge Adjustment per Kwh sold shall reflect amortization of the applicable balance in the Power Supply Balancing Account calculated by dividing the applicable balance by the estimated Kwh sales for the twelve months following the effective date of the adjustment.

5. POWER SUPPLY BALANCING ACCOUNT:

a. Items to be included in the Power Supply Balancing Account are:

1. Amounts under recovered or over recovered for fuel and purchased power supplies each month, calculated by subtracting the incurred purchased power supply costs from the costs recovered from customers. The resulting difference shall be reflected in a Power Supply Balancing Account.
2. Refunds received with respect to fuel and purchased power supply shall be credited to the Power Supply Balancing Account.

b. The amount to be included in the Power Supply Balancing Account in order to reflect the items specified in Subsection 5.a.1. and 2. shall be calculated as follows:

1. Montana-Dakota shall first determine each month the unit cost for that month's fuel and purchased power by PSCA class.
 - a. The demand and transmission charges shall be allocated to each class based on the 12 coincident peak demand factor from the most recent general rate case.
 - b. Fuel and energy purchases shall be allocated to each class based on sales volumes for the month adjusted for the applicable loss factor from the most recent general rate case.
2. Montana-Dakota shall then subtract from each month's unit cost the total cost in rates as set forth in paragraph 7, excluding the

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surcharge adjustment. The difference (which may be positive or negative) shall be multiplied by the Kwh sold during that month under each applicable rate schedule. The resulting amounts shall be reflected in a Balancing Account for each applicable rate schedule.

3. The balance in Account 182.3, to which interest will apply, will be the balance at the end of the immediately preceding month. Interest shall be credited in the case of net overcollections to Account 182.3 at one-twelfth of the rate of interest specified in §241 of the Commission's Rules and Special Regulations. Effective interest rate: <http://www.montana-dakota.com/RatesTariffs/WYInterest.pdf>

c. Reduction of Amounts in the Power Supply Balancing Account:

1. The amounts in the Power Supply Balancing Account shall be decreased each month by an amount determined by multiplying the currently effective Surcharge Adjustment included in rates for that month by the Kwh sales during that month under each rate schedule. The account shall be increased in the event the adjustment is a negative amount.
2. The amount amortized each month shall be applied pro rata between the amounts in the Power Supply Balancing Account specified in Subsection 5.a.1. and 2. and the amount related to carrying charges specified in Subsection 5.a.3.

6. TIME AND MANNER OF FILING:

- a. Each filing by Montana-Dakota shall be made by means of revised PSCA and rate schedule tariff sheets identifying the amounts of the adjustments and the resulting currently effective PSCA rates.
- b. Each filing shall be accompanied by detailed computations which clearly show the derivation of the relevant amounts.

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- c. Each filing shall also contain the information necessary to comply with §249 and §250 of the Commission's Rules and Regulations.

7. POWER SUPPLY COST ADJUSTMENT

Adjustment per Kwh:	<u>Primary</u>	<u>Secondary</u>
<u>Billed PSCA</u>		
Base Energy	0.614¢	0.620¢
PSCA	0.479¢	0.368¢
Total	<u>1.093¢</u>	<u>0.988¢</u>
 <u>Power Supply Cost Summary</u>		
Base Energy	0.614¢	0.620¢
PSCA	0.479¢	0.368¢
Demand and Transmission	1.027¢	1.221¢
Total Power Supply Cost	<u>2.120¢</u>	<u>2.209¢</u>

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